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The Morenci Water & Electric Company RECEIVED

401 Burro Alley P.O. Box 68 Morenci, AZ 85540 Phone (928) 865-2229 Fax (928) 865-5261

2009 FEB 19 A 9: 20

AZ CORP COMMISSION DOCKET CONTROL

January 27, 2009

Mr. Brian Bozzo
Utilities Division – Compliance Section
Arizona Corporation Commission
1200 West Washington
Phoenix, AZ 85007
Facsimile: (602) 542-2129

Re:

Report of The Morenci Water & Electric Company

Pursuant to ACC Docket # E-01049A-97-0771

Dear Mr. Bozzo,

Please find enclosed the annual reports pursuant to Docket E-01049A-97-0771 for competitive service offering, or unbundled services for the period of January 1, 2008 through December 31, 2008.

Please let me know if you have any questions or comments.

Sincerely,

Ruel A. Rogers, Jr. Superintendent

Arizona Corporation Commission DOCKETED

FEB 19 2009

DOCKETED BY

KRB/krb

Xc: Mike Patten – Roshka, DeWulf & Patten, PLC, Phx Horst Garz – Freeport-McMoran Copper & Gold File – MWE.Com\MWE Reports\ACC

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Sheet No. E-7.0

Applies to: The Morenci Water and Electric Company Service Area, Greenlee County, Arizona

STATEMENT OF CHARGES UNBUNDLED DISTRIBUTION SERVICE

RATES

This tariff complies with A.A.C. R14-2-1602 and R14-2-1606 of the rules of the Arizona Corporation Commission. This rate encompasses basic service of delivering electricity to Morenci Water and Electric Company (MWE) retail customers provided by an Authorized Primary Electric Service Provider (APESP) to the MWE points of interconnection.

<u>DESCRIPTION</u> <u>Rate</u>

Monthly Customer Charge: No kWh included \$ 1.93

All kWh - Per kWh \$ 0.02628

AVAILABILITY

This tariff is available to any APESP who desires to receive this unbundled distribution service beginning January 1, 1999 as such service may be available and subject to compliance by the APESP of all MWE rules of service and the terms and conditions contained herein. Service is available to retail customers by request upon receipt of a completed and signed Service Request form. The Service Request form is available from MWE.

PURCHASED POWER AND FUEL ADJUSTMENT CLAUSE

This clause is not applicable to this service.

TAXES AND ASSESSMENTS

In addition to all other rates and charges authorized herein, the company shall collect from its customers all applicable sales, transaction, privilege, regulatory or other taxes and assessments as may now, or in the future, apply.

Issued	, 2002	Effective	, 2002

ISSUED BY:

Sheet No. E-8.0

Applies to: The Morenci Water and Electric Company Service Area, Greenlee County, Arizona

GENERAL TERMS AND CONDITIONS

Applicable to All Services Set Forth in Sheet Nos. E-7.0 to E-30.0

GENERAL

- 1. Service is available only upon full and complete disclosure of all unbundled services being requested, and identification of the Authorized Primary Electric Service Providers(APESP), the identification of any other Electric Service Providers (ESPs) providing service under contract by the customer, or group of customers.
- 2. Service is available only from MWE to retail customers in MWE's service territory. No services may be resold by the APESP, or any ESP, to any third party. A list of all certified APESPs is available from the Company free of charge.
- 3. MWE is not responsible for any charges, fees, fines or other remuneration any customer, or group of customers, may incur to third parties, APESPs, or ESPs, in contracting for services hereunder.
- 4. A customer, or group of customers, will be removed from this rate schedule if total payment to its APESP is not made within 60 days of such service.
- 5. A customer, or group of customers, will not be served by any APESP until such time as the customer, or group of customers, has eliminated any outstanding balance(s) with MWE.
- 6. A customer, or group of customers, will not be served by MWE until such time as the customer, or group of customers, has eliminated any outstanding balance(s) owing to any APESP.
- 7. The customer, or group of customers, assumes all liabilities for damages to MWE's equipment and facilities when purchasing this service from any APESP.
- 8. Violation by the customer, or group of customers, an APESP or any ESP, of any of the terms and conditions of this tariff, or any of the rules, regulations and orders of the Arizona Corporation Commission, shall be grounds for termination of service.

Issued	. 2002	Effective	, 2002

ISSUED BY:

Sheet No. E-9.0

Applies to: The Morenci Water and Electric Company Service Area, Greenlee County, Arizona

GENERAL TERMS AND CONDITIONS Applicable to All Services Set Forth in Sheet Nos. E-7.0 to E-30.0 GENERAL (CONT'D) MWE shall comply with A.A.C. R14-2-1612.L.8, .L.15 concerning the approval, ownership and measuring 9. service to MWE customers served by ASESP. The APESP will pay any and all legal costs incurred by MWE in the resolution of any disputes with MWE 10. arising from violations by the APESP of the terms and conditions of service, or the rates, regulations and orders of the Arizona Corporation Commission. All other applicable terms and conditions in MWE's current tariff apply to service under this rate. 11.

Issued , 2002

Effective ______, 2002

ISSUED BY:

Applies to: The Morenci Water and Electric Company Service Area, Greenlee County, Arizona

GENERAL TERMS AND CONDITIONS

Applicable to All Services Set Forth in Sheet Nos. E-7.0 to E-30.0

AUTHORIZED PRIMARY ELECTRIC SERVICE PROVIDERS

- Customers who elect unbundled service under the terms of this tariff shall be required to designate an
 Authorized Primary Electric Service Provider (APESP) and must comply with A.A.C. R14-2-1601(12),
 Direct Access Service Request. The APESP shall be responsible for arranging with the customer all services which may be required for electric service including services to be provided by the APESP, any other ESP or MWE.
- 2. The APESP shall not be authorized to provide any service to customers in MWE's certificated area unless it is:
 - a. the holder of a certificate of convenience and necessity to provide electric service provider service issued by the ACC; and
 - b. it has entered into a satisfactory interconnection agreement with MWE.
- 3. The interconnection agreement shall include, among other things, provisions concerning establishment of service, the deposit by the APESP of adequate security to operate in MWE's certificated area, indemnification, discontinuance of service for non-payment, billing collection, auditing of operations and related items.
- 4. All APESPs shall be required to pay to MWE an initial establishment charge of \$5.00 per customer pursuant to A.A.C. R14-2-203. The provisions of A.A.C. R14-2-203 concerning other deposits and information on applicants for service shall be applicable to APESPs.
- 5. MWE is not responsible for any payment due to APESPs which it cannot collect when the customer selects MWE as the unbundled Collection service provider.
- 6. Where service is provided to any customer by an APESP or an ESP, the APESP or ESP shall be responsible for arranging and paying for all generation, transmission, and required ancillary services that may be required to provide such service or services at no cost to MWE for its customers who choose to use unbundled service.

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Sheet No. <u>E-11.0</u>

Effective ________, 2002

Applies to: The Morenci Water and Electric Company Service Area, Greenlee County, Arizona

	GENERAL TERMS AND CONDITIONS A.Applicable to All Services Set Forth in Sheet Nos. E-7.0 to E-30.0
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7.	Failure of the APESP to stay current with all billings from the appropriate ESPs will result in loss of all MWE unbundled services to the APESP. The APESP will be required to pay the service re-establishment charge as provided in the Interconnection Service Agreement.
8.	Any APESP or ESP providing service in MWE's service area shall comply with all applicable rules of service of MWE and all rules, regulations and orders of the Arizona Corporation Commission.

ISSUED BY:

Issued , 2002

Horst Garz, President
The Morenci Water and Electric Company
401 Burro Alley
Post Office Box 68

Morenci, Arizona 85540

Sheet No. E-12.0

Applies to: The Morenci Water and Electric Company Service Area, Greenlee County, Arizona

STATEMENT OF CHARGES UNBUNDLED METER SERVICE

RATES

This tariff complies with A.A.C. R14-2-1602 and R14-2-1606 of the rules of the Arizona Corporation Commission. This rate encompasses the unbundled service of owning, installing, operating and maintaining MWE's electric meter.

DESCRIPTION Rate

Installation Charge (MWE Meter): \$ 0.93 per meter per month

Installation Charge (Meter provided by an APESP):

Actual cost

Operation and Maintenance Meter Charge (MWE Meter):

\$ 0.02 per meter per month

Operation and Maintenance Meter Charge (Meter provided by

an APESP):

Actual cost

AVAILABILITY

This tariff is available to any APESP who desires to receive this unbundled meter service beginning January 1, 1999 as such service may be available and subject to compliance by the APESP of all MWE rules of service and the terms and conditions contained herein. Service is available by request upon receipt of a completed and signed Service Request form. The Service Request form is available from MWE.

TAXES AND ASSESSMENTS

In addition to all other rates and charges authorized herein, the company shall collect from its customers all applicable sales, transaction, privilege, regulatory or other taxes and assessments as may now, or in the future, apply.

Issued	, 2002	Effective	, 2002

ISSUED BY:

Applies to: The Morenci Water and Electric Company Service Area, Greenlee County, Arizona

TERMS AND CONDITIONS UNBUNDLED METER SERVICE

- 1. MWE shall install, own, maintain and operate all metering equipment provided by an Authorized Primary Electric Service Provider.
- 2. The customer, or group of customers, requiring this service must pay MWE all costs associated with installing metering equipment (1) provided by the APESP and (2) approved by MWE.
- 3. The customer, or group of customers shall be required to pay for meter testing if requested by MWE when MWE believers the meter readings obtained from a meter supplied by an Authorized Primary Electric Service Provider are inaccurate. If the meter is found to be within tolerance, MWE will pay the cost of said meter test.
- 4. If a meter provided by an APESP is found to be out of tolerance, the APESP may receive a billing adjustment which reflects the cumulative meter error.
- 5. All other applicable terms and conditions in MWE's current tariff apply to service under this rate.

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ISSUED BY:

Sheet No. <u>E-14.0</u>

Applies to: The Morenci Water and Electric Company Service Area, Greenlee County, Arizona

STATEMENT OF CHARGES UNBUNDLED METER READING SERVICE

RATES

This tariff complies with A.A.C. R14-2-1602 and R14-2-1606 of the rules of the Arizona Corporation Commission. This rate encompasses unbundled meter reading service to MWE's retail customers who may be eligible to request such service.

DESCRIPTION

Rate

Monthly Meter Reading Charge:

\$ 1.54 per meter

AVAILABILITY

This tariff is available to any APESP who desires to receive this unbundled meter reading service beginning January 1, 1999 as such service may be available and subject to compliance by the APESP of all MWE rules of service and the terms and conditions contained herein. Service is available by request upon receipt of a completed and signed Service Request form. The Service Request form is available from MWE.

TAXES AND ASSESSMENTS

In addition to all other rates and charges authorized herein, the company shall collect from its customers all applicable sales, transaction, privilege, regulatory or other taxes and assessments as may now, or in the future, apply.

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ISSUED BY:

Applies to: The Morenci Water and Electric Company Service Area, Greenlee County, Arizona

TERMS AND CONDITIONS UNBUNDLED METER READING SERVICE

- 1. The APESP assumes all liabilities for inaccurate meter readings due to faulty, inoperative or inaccurate metering equipment provided by an APESP.
- 2. If the customer has selected another ESP other than MWE for billing service, MWE will send a copy of its meter reading data by US Postal service to the APESP within 10 business days of obtaining the meter readings.
- 3. For customers requesting meter reading service by MWE for a meter provided by an alternative ESP, the customer, or group of customers, shall be required to reimburse MWE for any additional costs incurred by MWE in reading said meter.
- 4. The customer, or group of customers shall be required to pay for meter testing if requested by MWE when MWE believers the meter readings obtained from a meter supplied by an Authorized Primary Electric Service Provider are inaccurate. If the meter is found to be within tolerance, MWE will pay the cost of said meter test.
- 5. If a meter provided by an APESP is found to be out of tolerance, the APESP will receive a billing adjustment which reflects the cumulative meter error.
- 6. All other applicable terms and conditions in MWE's current tariff apply to service under this rate.

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Sheet No. E-16.0

Applies to: The Morenci Water and Electric Company Service Area, Greenlee County, Arizona

STATEMENT OF CHARGES	
UNBUNDLED BILLING SERVICE	E

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This tariff complies with A.A.C. R14-2-1602 and R14-2-1606 of the rules of the Arizona Corporation Commission. This rate encompasses the source of providing the customer with a monthly bill for electric usage.

DESCRIPTION

Rate

Monthly Billing Service Charge:

\$ 0.51 per meter

AVAILABILITY

This tariff is available to any APESP who desires to receive this unbundled billing service beginning January 1, 1999 as such service may be available and subject to compliance by the APESP of all MWE rules of service and the terms and conditions contained herein. Service is available by request upon receipt of a completed and signed Service Request form. The Service Request form is available from MWE.

TAXES AND ASSESSMENTS

In addition to all other rates and charges authorized herein, the company shall collect from its customers all applicable sales, transaction, privilege, regulatory or other taxes and assessments as may now, or in the future, apply.

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Sheet No. E-17.0

Applies to: The Morenci Water and Electric Company Service Area, Greenlee County, Arizona

TERMS AND CONDITIONS UNBUNDLED BILLING SERVICE

- 1. The APESP assumes all liabilities for inaccurate meter readings due to faulty, inoperative or inaccurate metering equipment provided by an APESP.
- 2. If the customer has selected an ESP other than MWE for meter reading service, MWE is not liable for meter reading data provided later than 5 business days after the end of each MWE billing cycle. Customers will be billed on an estimated basis if data is provided later than this. Repeated violations of this provision may result in termination of service to the APESP.
- 3. The APESP shall be required to pay for meter testing if requested by MWE when MWE believers the meter readings obtained from a meter supplied by an APESP are inaccurate. If the meter is found to be within tolerance, MWE will pay the cost of said meter test.
- 4. If a meter provided by an APESP is found to be out of tolerance, the APESP will receive a billing adjustment which reflects the cumulative meter error.
- 5. If the customer has selected an APESP or ESP for billing service, MWE will send a copy of its meter reading data by US Postal service to the APESP within 10 business days of obtaining the meter readings.
- 6. For customers requesting meter reading service by MWE for a meter provided by an APESP or an ESP, the customer, or group of customers, shall be required to reimburse MWE for any additional costs incurred by MWE (1) in reading said meter and (2) billing the customer or group of customers.
- 7. All other applicable terms and conditions in MWE's current tariff apply to service under this rate.

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ISSUED BY:

Sheet No. <u>E-18.0</u>

Applies to: The Morenci Water and Electric Company Service Area, Greenlee County, Arizona

Issued ______, 2002

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ISSUED BY:

Sheet No. E-19.0

Applies to: The Morenci Water and Electric Company Service Area, Greenlee County, Arizona

TERMS AND CONDITION	ONS
UNBUNDLED COLLECTION	SERVICE

1.	MWE will not be responsible for any late payments by the customer and will make no payments to the
	APESP on behalf of the customer unless it has received funds in its corporate accounts.

- 2. The customer, or group of customers shall be required to pay for meter testing if requested by MWE when MWE believers the meter readings obtained from a meter supplied by an Authorized Primary Electric Service Provider are inaccurate. If the meter is found to be within tolerance, MWE will pay the cost of said meter test.
- 3. If a meter provided by an APESP is found to be out of tolerance, the APESP may receive a billing adjustment which reflects the cumulative meter error.
- 4. All other applicable terms and conditions in MWE's current tariff apply to service under this rate.

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Sheet No. <u>E-20.0</u>

Applies to: The Morenci Water and Electric Company Service Area, Greenlee County, Arizona

STATEMENT OF CHARGES <u>UNBUNDLED TRANSMISSION_SERVICE</u>	
RATES	
This tariff complies with A.A.C. R14-2-1602 and R14-2-1606 of the rules of the Arizona Co	rporation Commission.
MWE does not own, control or operate any transmission facilities, therefore MWE can not p service can only be provided by interconnected suppliers offering such service. All transmissenable any unbundled service to be provided is the responsibility and liability of the APESP.	rovide this service. Such sion service necessary to
Issued, 2002 Effective	, 2002

ISSUED BY:

Sheet No. <u>E-21.0</u>

Applies to: The Morenci Water and Electric Company Service Area, Greenlee County, Arizona

STATEMENT OF CHARGES <u>UNBUNDLED TRANSMISSION ANCILLARY SERVICES</u>
RATES
This tariff complies with A.A.C. R14-2-1602 and R14-2-1606 of the rules of the Arizona Corporation Commission. These Services are required of customers who choose to purchase unbundled Transmission Service and are required i addition to the basic unbundled Transmission Service.
MWE does not own, control or operate any transmission facilities, therefore, MWE can not provide this service. Such service can only be provided by interconnected suppliers offering such service. All transmission service necessary to enable any unbundled service to be provided is the responsibility and liability of the APESP.

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Sheet No. E-22.0

Applies to: The Morenci Water and Electric Company Service Area, Greenlee County, Arizona

STATEMENT OF CHARGES UNBUNDLED CUSTOMER INFORMATION SERVICE

RATES

This tariff complies with A.A.C. R14-2-1602 and R14-2-1606 of the rules of the Arizona Corporation Commission. This Service encompasses the provision of customer data to an APESP selected by the customer.

DESCRIPTION

Rate

Customer Information Charge:

[[Actual Charge Possible to State??]] MWE's actual cost per occurrence including computer surcharges, labor and overheads.

AVAILABILITY

This tariff is available to any APESP who desires to receive this unbundled customer information service beginning January 1, 1999 as such service may be available and subject to compliance by the APESP of all MWE rules of service and the terms and conditions contained herein. Service is available by request upon receipt of a completed and signed Service Request form from the MWE customer and the APESP. The Service Request form is available from MWE.

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ISSUED BY:

Sheet No. E-23.0

Applies to: The Morenci Water and Electric Company Service Area, Greenlee County, Arizona

	TERMS AND CONDITIONS <u>UNBUNDLED CUSTOMER INFORMATION SERVICE</u>
1.	MWE shall provide only information which is not confidential in nature and shall provide energy usage information as set forth in FERC Form No. 1 only upon written authorization by customer.
2.	Energy usage data provided to any APESP shall be subject to confidentiality protection as provided in the Interconnection Service Agreement.

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ISSUED BY:

Sheet No. <u>E-24.0</u>

Applies to: The Morenci Water and Electric Company Service Area, Greenlee County, Arizona

STATEMENT OF CHARGES LOCAL BACKUP GENERATION SERVICE	
<u>RATES</u>	
This tariff complies with A.A.C. R14-2-1602 and R14-2-1606 of the rules of the Arizona Corporation Co	ommission.
MWE does not own, control or operate any local generation facilities, therefore MWE can not provide the Such service can only be provided by suppliers offering such service. All service necessary to enable an service to be provided is the responsibility and liability of the APESP.	
Issued, 2002 Effective,	2002

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Sheet No. <u>E-25.0</u>

Effective _______, 2002

Applies to: The Morenci Water and Electric Company Service Area, Greenlee County, Arizona

STATEMENT OF CHARGES <u>DISTRIBUTION VOLTAGE CONTROL SERVICE</u>
RATES
This tariff complies with A.A.C. R14-2-1602 and R14-2-1606 of the rules of the Arizona Corporation Commission.
MWE does not provide this service. Such service can only be provided by suppliers offering such service. All service necessary to enable any unbundled service to be provided is the responsibility and liability of the APESP.

ISSUED BY:

Sheet No. <u>E-26.0</u>

Applies to: The Morenci Water and Electric Company Service Area, Greenlee County, Arizona

STATEMENT OF CHARGES
TITLE TRANSFER SERVICE
RATES
This tariff complies with A.A.C. R14-2-1602 and R14-2-1606 of the rules of the Arizona Corporation Commission.
MWE does not provide this service. Such service can only be provided by suppliers offering such service. All service necessary to enable any unbundled service to be provided is the responsibility and liability of the APESP.
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Sheet No. <u>E-27.0</u>

Applies to: The Morenci Water and Electric Company Service Area, Greenlee County, Arizona

STATEMENT OF CHARGES TRANSACTION CONFIRMATION SERVICE
RATES
This tariff complies with A.A.C. R14-2-1602 and R14-2-1606 of the rules of the Arizona Corporation Commission.
MWE does not provide this service. Such service can only be provided by suppliers offering such service. All service necessary to enable any unbundled service to be provided is the responsibility and liability of the APESP.
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Sheet No. <u>E-28.0</u>

Effective ______, 2002

Applies to: The Morenci Water and Electric Company Service Area, Greenlee County, Arizona

STATEMENT OF CHARGES <u>INVOICING SERVICE</u>
RATES
This tariff complies with A.A.C. R14-2-1602 and R14-2-1606 of the rules of the Arizona Corporation Commission.
MWE does not provide this service. Such service can only be provided by suppliers offering such service. All service necessary to enable any unbundled service to be provided is the responsibility and liability of the APESP.

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Sheet No. <u>E-29.0</u>

Effective ______, 2002

Applies to: The Morenci Water and Electric Company Service Area, Greenlee County, Arizona

STATEMENT OF CHARGES INTERRUPTION NOTIFICATION SERVICE
RATES
This tariff complies with A.A.C. R14-2-1602 and R14-2-1606 of the rules of the Arizona Corporation Commission.
MWE does not provide this service. Such service can only be provided by suppliers offering such service. All service necessary to enable any unbundled service to be provided is the responsibility and liability of the APESP.

ISSUED BY:

Applies to: The Morenci Water and Electric Company Service Area, Greenlee County, Arizona

STATEMENT OF CHARGES POWER FACTOR CORRECTION SERVICE
RATES
This tariff complies with A.A.C. R14-2-1602 and R14-2-1606 of the rules of the Arizona Corporation Commission.
MWE does not provide this service. Such service can only be provided by suppliers offering such service. All service necessary to enable any unbundled service to be provided is the responsibility and liability of the APESP.

Issued ______, 2002

Effective _______, 2002

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